A 10-Minute Guide to Increasing Supply Chain Visibility
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It’s imperative in the current global economy for companies to deploy all available strategies to stay competitive. With unpredictable economic shifts, natural disasters, and other potential supply chain disruptions, it is now more important than ever to implement visibility strategies targeted to your organization’s needs and investment resources.

Supply chain technology advancements help you automate work processes, collaborate with suppliers, and manage data within the four walls (materials, manufacturing, shipping) and at your supplier sites across the globe. However, before implementing any new strategy or tool, the first step is to determine what type of supply chain visibility solution meets the needs for your audience, industry, and organization.\(^1\) Depending on your type of manufacturing issues – for example, contract outsourcing, global suppliers, packaged goods, or consumer products – your needs will vary.\(^2\)

Next, make your business case. Isolate and understand the primary pain point on your supply chain that would benefit most from increased visibility. Select a project that provides that benefit and also integrates with your company’s core mission. Then, narrow your solution to the software, process, or other customization that will generate the most ROI for your company.

1. Determine what type of supply chain solution
2. Identify pain points in your supply chain
3. Select a project to implement a new solution
4. Narrow your solution, generate more ROI
Level 1 - View the Inventory

As needs can vary across organizations and industries, there is no single “visibility solution.” To identify where your company can reap the most benefit, start by examining your inventory data. Is there a way to expand the data and/or make it more accurate or current for better planning and decision-making?

For example, one area to analyze is the timing of your MRP data pulls. You may gain better and more accurate visibility into your inventory by timing data pulls to obtain critical data individually from your ERP rather than relying on batch processes with delayed intervals.³

QUICK WIN STRATEGY: Check to see what the existing options are with your current ERP. There may be a simple add-on or functionality you can enable that will provide visibility into your suppliers’ inventory. Further, there may be unused fields or data collection points that you can incorporate to achieve greater visibility in your materials processing.⁴
Level 2 - Collaborate Smarter

Increased visibility includes maximizing your existing systems to respond to customer demand and fulfill orders on time without relying on expedited shipping methods. You can increase visibility deeper into your supply chain by automating your processes of order fulfillment and communication with your suppliers.

Instead of relying on manual processes such as phone calls or email to determine supplier ability to fulfill orders, automation tools provide insight into inventory levels and integrate ordering, invoicing, and communication in one application. These automation tools integrate with your existing ERP data and monitor the ability of suppliers to meet demand, often sending alerts when there are problems with fulfillment, quality, or compliance. The reduction in lead times, shipping delays, and labor costs of these tools can produce a significant ROI and greatly reduce the “Bullwhip Effect.”

Strategy: Focus on automating manual processes, including built-in workflow management tools. Implement a collaboration solution with a phased approach, focusing first on the modules that will most affect your bottom line and processes, as well as the key suppliers that are already integrated with your system and/or represent a large percentage of your supply chain inventory.
Level 3 - Trace & Track

Track and trace capabilities can be immensely beneficial for companies that are required to provide an accurate view of their end-to-end supply chain — from materials inventory, through the manufacturing and shipping process, to customer delivery. Data collection, compliance labeling and materials traceability tools integrate with your ERP and other automation applications to monitor all aspects of your stock.

For companies that must meet regulatory compliance mandates - such as pharmaceutical item-level serialization and traceability, environmental compliance, or global trade - implementing a track and trace solution is imperative in order to alleviate unnecessary scrap and rework, prevent steep fines for non-compliance, and minimize potentially significant costs associated with product recalls. Requirements and solutions can vary greatly, so it is important to perform a thorough evaluation of short-and long-term needs as well as conduct a pilot program prior to any implementation.

Strategy: If applicable to your industry, implement a complete track and trace solution that meets impending global trade, carbon footprint, and/or serialization compliance regulations to prevent costly scrap and rework requirements or other penalties.

Note that even if regulatory compliance is not a chief concern, visibility into where your inventory and orders are in real time provides significant savings in labor costs to locate orders or shipments, and a marked increase in customer satisfaction.
CONCLUSION

The solution to increasing visibility in your supply chain is not a "one size fits all" proposition. Rather, strategy and customization is key when building a business case for implementing new tools and processes:

1. Analyze your existing systems;
2. Find the biggest disruption points;
3. Align your proposed solution with your company's mission and available resources; and
4. Implement the solution that provides the right level of visibility with the greatest ROI.

A phased approach is often the best winning strategy. Start with solutions that will provide the greatest benefit with the least investment or training, and implement more complex or costly solutions as resources permit.

Ultimately, an integrated system with maximum supply chain visibility, collaboration, and compliance will give your company the competitive edge needed in today's economy.

END NOTES

5 TAKE Solutions, Inc. "Mitigating the Bullwhip Effect: Demand Collaboration Maximizes Efficiency throughout the Supply Chain." 2012.